



Senator Gary Dillon, M.D.

200 W. Washington St.
Indianapolis, IN 46204

News from the Indiana State Senate

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Commission Studies Methods To Replace Property Tax

"We want a better system," and "Do no harm," were the sentiments echoed in the Property Tax Replacement Study Commission, which has met several times at the Statehouse. The property tax situation in Indiana is a frustration shared by many as the newly-formed committee, consisting of legislators, farmers, businessmen, and homeowners, develops methods to reduce local government's reliance on property taxes.

The reassessment process is complete in almost every county in Indiana, and agencies and organizations are collecting data that will aid the commission and the legislature in figuring ways to replace over \$5.5 billion in property taxes collected each year and to provide oversight of over 9,000 levies and 172 different types of funds for local government programs and services.

This monumental task is being conducted due to a law passed during the 2004 legislative session. The committee must study the

effects of eliminating 50 percent, 75 percent, and 100 percent of net property tax levies.

One major hurdle for the commission is to identify revenue sources capable of replacing property taxes and providing sufficient revenue to maintain essential government services. The commission will submit status reports to the Legislative Council, which is the administrative body of the General Assembly, in September.

The commission broke down into small groups that will work on five major issues during the year: Property Tax Administration Issues; Local Government Services; Long Term Debt Issues; Other State Tax Systems; and Property Tax Levies and Controls.

The goal is to lessen local governments' dependence on property taxes and create a more equitable and fair method of funding local government.

Get Involved! The Indiana Senate Page Program

Over 200 years ago, our founding fathers collaborated to create a representative democracy. An intricate system of checks and balances emerged, giving citizens a means to govern free from tyranny. Every year, students study this historical phenomenon in the classroom; however, no book can tell the whole story.

The General Assembly recognizes the importance of exposing young people to the democratic process. As a result, legislators offer students an important opportunity at the Statehouse.

Any student from 6th grade to 12th grade can sign up to serve as a page for a day. The Senate Page Office will try to accommodate requests for specific dates, and students will

be excused from school for the day.

Pages spend a day in the Senate assisting their local legislators. Responsibilities include responding to senators' requests, delivering messages and running errands. The day includes a tour of the Statehouse and observation of a session, if one is in progress.

Those interested in serving as a page should send their name, age, address, phone number and school affiliation to my attention at 200 W. Washington Street, Indianapolis, IN, 46204.

The Page Office will begin accepting requests in November. The 2005 session begins in early January and extends until late April.

News You Can Use

Indiana's Do Not Call List

Indiana is one of 40 states that has the means to protect citizens against unwanted and unsolicited phone calls. The Indiana Telephone Privacy Program allows Hoosiers to put their home telephone numbers on a "do not call" list. This list is updated quarterly and distributed to telemarketing companies. These companies can face hefty fines if they are in violation of Indiana guidelines. Getting your name on this "do not call" list is surprisingly easy. To enroll, simply call the toll-free number (1-888-834-9969) or visit the Attorney General's website at www.in.gov/attorneygeneral/telephone/.

Now that telemarketers are unable to reach you at home, they are looking for another outlet. Later this year, a wireless subscriber directory sponsored by the Cellular Telecommunications and Internet Association, will be published. It is speculated that this directory will include about 75 percent of all mobile phone numbers and will be accessible by real estate agents, telemarketers and other on-the-go professionals.

The federal government also is addressing this issue with legislation that will prevent wireless-phone companies from automatically distributing cell numbers into this directory. To prevent your mobile phone number from being distributed, please add it to Indiana's "do not call" list.

2-1-1 Telephone Program

In the past few years, there has been a dramatic increase in the number of agencies and help centers available to answer problems we citizens may encounter. Despite this abundance of information, it is difficult to know where to turn for specific questions. With the introduction of a new and free telephone service, help is now a short phone call away.

2-1-1 is a new service that provides immediate access to every certified social service agency and non-profit organization in the state of Indiana. 2-1-1 offers information on health insurance programs, support groups, home health care, after school programs, protective services, and volunteer opportunities.

Currently, 20 counties are using 2-1-1 and legislation has been authored to establish the program throughout Indiana. House Enrolled Act 1344 requests absolutely no state money, while creating an account for future funds. The Cinergy Foundation, funded by Cinergy shareholders, has pledged over \$600,000 to help fund this program over the next three years.

2-1-1 works in the same way that 9-1-1 operates for emergencies and 4-1-1 works for general information. The goal is to have this service available 24 hours per day, 7 days per week. For more information, please visit the web at www.in211.org.

I serve the citizens of Senate District 17, which includes portions of Allen, Grant, Huntington, Kosciusko, Wabash and Whitley Counties.

Stay connected to the Indiana General Assembly by visiting www.in.gov/legislative

You can also visit my legislative web site at: www.in.gov/S17

Send letters to:
Sen. Gary Dillon, M.D.
Indiana Senate
200 W. Washington St.
Indianapolis, IN 46204



Consumer Information

Unclaimed Property

The Attorney General reports thousands of unclaimed property listings all across the state of Indiana. Some possible sources of unclaimed property are: credit balances, old savings and checking accounts, unpaid wages, mutual fund shares, insurance proceeds, uncashed traveler's checks, and utility deposits.

You can contact the Indiana Attorney General's office to see if you or a relative has a claim. Visit www.indianaunclaimed.com or call, toll-free, **1-866-IN-CLAIM** (1-866-462-5246).

Unwanted Faxes

Contact the Federal Communications Commission to report any unsolicited faxes. You can file a formal complaint at www.fcc.gov/cgb/complaints.html or call, toll-free, **1-888-225-5322**.

Direct Mail Lists

Tired of receiving advertising through the mail? Remove your name from direct mail lists by visiting

www.dmaconsumers.org or write to:

Mail Preference Service
Attn: Dept 12851374
Direct Marketing Association
PO Box 282
Carmel, NY 10512

National No-Call List

Indiana led the way with the creation of a no-call registry. Federal legislators followed suit by creating a national do not call list. Consumers now can list both home and mobile phone numbers in order to prevent unsolicited telemarketing calls. To register your phone number on the national list, visit www.donotcall.gov or call, toll-free, **1-800-382-1222**. Additions to the list are updated every three months.

Protect Yourself from Identity Theft



On an average day, someone may pay for gas at the pump, write a check at the grocery store or purchase some merchandise online without giving a second thought to these transactions; however, these seemingly innocent tasks could leave an individual vulnerable to a new breed of robbery.

Identity theft is quickly becoming the most prevalent and costly crime in the nation. Researchers estimate that criminals steal more than 600,000 victims' identities each year, costing consumers and the financial industry billions of dollars.

In 2003, the General Assembly passed legislation strengthening Indiana's identity theft law by protecting not only a person's Social Security number, but also his or her address, phone number, place of employment, employer's identification number and his or her mother's maiden name. The law also includes provisions to help victims untangle the damage incurred on their credit history by an identity thief.

Often, consumers are not aware that their identities have been stolen. Each of us can help protect our information by being cautious. If you would like more information, please contact the Consumer Protection

Division in the Indiana Attorney General's office, toll-free, at 1-800-382-5516 or visit www.in.gov/attorneygeneral.

Reduce the chances of identity theft in your everyday life:

- Monitor the balances of your financial accounts and look for unexplained charges or withdrawals
- Track your mail. Failing to receive bills or other mail may signal an address change by an identity thief, as does receiving credit cards for which you did not apply
- Order a copy of your credit reports. Federal law will soon allow consumers to get one free credit report per year
- Guard your Social Security number. Give it out only when absolutely necessary
- Invest in a cross-cutting paper shredder. Destroy credit card applications, checks, receipts, insurance documents and anything with your identifying information.

Students Save with CollegeChoice Plan

For children, fall marks the beginning of the school year. For many parents, it brings the stark reality of college and its subsequent costs one year closer to fruition. With tuition prices skyrocketing, the dream of college can quickly turn into a nightmare. The state of Indiana now provides parents with a tool to help finance their children's higher education and gain extra tax benefits as a result.

Since 1997, CollegeChoice allows anyone over age 18 to contribute money into a group investment portfolio made up of a strategic mix of stocks, bonds and money market funds. The program provides contributors with an easy, hands-off way to save for college. Once enrolled, a team of experienced professionals manage the portfolio in order to maximize investment growth.

Individuals can establish an account with just \$50 per portfolio and \$25 subsequent monthly installments until contributions

reach \$236,750. No enrollment or application fee exists. The enrollee can name any person as a beneficiary regardless of age and the beneficiary can change at the enrollee's discretion.

Additionally, the investment grows tax-deferred and remains exempt from federal taxes if used for qualified higher education expenses. Whether public or private, the funds can be used at any eligible accredited post-secondary school, including graduate and vocational-technical schools.

Assuming only a 5 percent annual price increase, experts estimate that parents can expect to pay \$143,000 to put a child born today through four years of in-state public college and about \$306,000 for a private college. This sobering statistic highlights the importance of saving for college early. CollegeChoice offers individuals a useful tool to make sure college remains a dream, not a nightmare.



State Faces Tough Budget Decisions in 2005

On July 1, the state closed the books for Fiscal Year 2004. Official figures released by the state budget agency predict a "surplus" or "reserve" of \$337 million million on June 30, 2005 - the close of the current budget cycle. This figure requires some explanation. On the surface it sounds great; however, the state still has some major financial problems. The upcoming budget session in January will be very challenging and will present difficult choices.

What this number tells us is that there will be some money available at the end of the year to pay bills. It does not take into account the millions in delayed payments to schools and borrowing from other funds. It does not take into account that the state has spent nearly all of its reserves. It does not take into account that the state is spending considerably more than it takes in (an estimated \$700 million per year by 2005). Put into this context this \$300 million "reserve" is woefully inadequate and hardly a cause for celebration.

The problem is that state spending has exceeded revenues for the past several

years. State revenue collections actually decreased in both Fiscal Years 2001 and 2002 before showing a small 0.5 percent increase in 2003. Revenue collections increased by only 2.7 percent for the fiscal year that just ended. So while we are grateful for the improvement, the state's financial condition is still very weak.

It will be very difficult to cut enough from the budget to balance the revenue losses. About 80 percent of our budget is directed to education, Medicaid and property tax replacement before factoring in prisons! Medicaid can't be cut significantly since it is an entitlement. No one wants to cut property tax relief. Is it wise to cut education when we are trying to diversify our economy and attract more high-tech, higher paying jobs? Some argue that we should invest more in education to create a more highly skilled workforce.

I don't want to minimize the importance of controlling spending. We must cut where we can; however, the root cause of our financial difficulty is slow revenue growth. Part of this is due to the recession, but part is due to the lagging of our Indiana econo-



SNAPSHOT: Senator Dillon discusses the details of a bill with a Senate colleague and an attorney from the Legislative Services Agency.

my. The average Hoosier wage-earner makes less than the national average. If we were just to reach the national average, our deficit would be erased. The long term solution to Indiana's woes is to expand the Indiana economy to create more and better jobs.

In January, the General Assembly will start work on the state budget for the next two years. Much of the public discussion will center on funding issues. We most certainly will face difficult choices and decisions in that arena, but we must continue to work on ways to diversify our economy and to stimulate business investment and activity — the real solution to the state's financial problems.



Programs Discount Prescriptions For Low-Income Senior Citizens

America leads the world in pushing the bounds of science to bring new prescription drugs to the market, resulting in lives saved and an increased quality of life. There are high costs involved in bringing these drugs to the open market. Part of that price tag is passed on to the consumer, which causes patients who do not have drug coverage to suffer financially. As a relief to those patients, some new programs have been established to help with the costs of prescription drugs.

The U.S. government has launched a new drug discount card that will provide immediate financial relief to seniors. This program, which took effect on June 1, allows recipients to choose a discount card program that best suits their needs. Medicare will be providing reliable and accessible information. Anyone who is enrolled in Medicare Part A or Part B and not receiving Medicare

benefits is eligible for the discount drug card program. For more information or to become enrolled, you may call **1-800-MEDICARE** (1-800-633-4227) or visit the Medicare website at www.medicare.gov.

HoosierRx is a state program that helps to shift the cost of prescription drugs away from low-income seniors. HoosierRx was enacted four years ago by the General Assembly and allows seniors who qualify to receive a 75 percent discount on the cost of medications. This program will be coordinated with the Medicare discount drug card to maximize savings. Low-income seniors can sign up for the HoosierRx Drug Card by calling, toll-free, **1-866-267-4679** or by visiting www.in.gov/HoosierRx. Local pharmacies will also have applications.